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I. INTRODUCTION

A. Scope of the note

1. This note provides information on the status of the consultative process. It also provides information on four specific tasks relating to the completion of the ongoing activities of the secretariat for 1999 as defined in document FCCC/CP/1998/6. The tasks relate to: the draft work programme; adaptation technologies; cooperation with the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD/DAC); and the revision of guidelines for the reporting of information on financial resources and the transfer of technology in national communications from Parties included in Annex II to the Convention (Annex II Parties). In addition, the specific mandates referring to each of the issues are reported below before the discussion.

2. Background information relevant to the issues discussed in this note can also be found in the following documents: the report of the Conference of the Parties at its fourth session (FCCC/CP/1998/16/Add.1), the work programme for the current biennium (FCCC/CP/1997/INF.1), the document containing the proposed programme budget of the Convention for the biennium 2000-2001 (FCCC/SBI/1999/4/Add.1), a technical paper on coastal adaptation technologies (FCCC/TP/1999/1) and the report on clarifications, additions, and amendments to the revised guidelines for the preparation of national communications by Parties included in Annex I to the Convention (Annex I Parties) (FCCC/SB/1999/1/Add.2). Parties may also wish to consider the previous progress reports on these issues (FCCC/SBSTA/1998/5 and FCCC/CP/1998/6).

B. Possible action by the SBSTA

3. The SBSTA may wish to consider the information in this note and,

(a) Provide guidance to the Chairman concerning the approach to the consultative process referred to in decision 4/CP.4;[1] and

(b) Provide guidance to the secretariat with regard to its work on adaptation technologies, particularly coastal zone technologies (see FCCC/TP/1999/1).

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[1] For the full texts of decisions adopted by the Conference of the Parties at its second, third and fourth sessions, see documents FCCC/CP/1996/15/Add.1, FCCC/CP/1997/7/Add.1, and FCCC/CP/1998/16/Add.1, respectively.

II. CONSULTATIVE PROCESS REFERRED TO IN DECISION 4/CP.4

A. Specific mandate

4. By its decision 4/CP.4, the Conference of the Parties requested the Chairman of the SBSTA to establish a consultative process to consider the list of issues and questions contained in the annex to this decision, as well as any additional issues and questions subsequently identified by Parties, and to make recommendations on how they should be addressed in order to achieve agreement on a framework for meaningful and effective actions to enhance implementation of Article 4.5 of the Convention.

5. The COP further requested the Chairman of the SBSTA to report on the outcome of the consultative process to the SBSTA at its eleventh session, with a view to recommending a decision for adoption by the Conference of the Parties at its fifth session.

B. Discussion

6. The Chairman of the SBSTA presented a preliminary approach for such a process to the Bureau members at their meeting at Bonn on 8 February 1999, and sought their advice on how to proceed.

7. Following the advice from the Bureau, the Chairman, with the help of the secretariat, has taken the initial step of forming an informal group to assist the Chairman in designing and conducting the consultative process. The group has been consulting mainly by e-mail and may meet on the margins of other meetings.

8. The consultation process will consist of three or four core workshops, depending on available resources. It will seek to determine the problems faced by governments and industry in developing countries, the activities that are currently under way with the support of governments and international organizations and what is needed to address the problems, issues and questions contained in the annex to decision 4/CP.4.

9. Workshops might be held in Asia, Africa and Latin America in cooperation with other United Nations organizations, donors, and/or business organizations, depending upon the availability of resources. In addition, an inter-sectorial workshop, for example, on currently available adaptation technologies, might be considered.

10. It would be highly desirable to take advantage of any currently planned conferences on this subject. To this extent, the secretariat is seeking information about relevant technology events planned for 1999 and ending in 2000.

11. The secretariat has received offers of financial assistance for the organization of regional workshops from Australia, the European Union, the Netherlands, and the United States of America. Several other countries are also considering potential contributions to the process.

12. The regional workshops will also serve as conduits through which information generated by non-UNFCCC endorsed meetings could be channelled. The specific agendas for the workshops could have common elements, but could also be tailored to the unique situations in each region. The participants will be representatives of governments, business and non-governmental organizations as well as lead authors of the Intergovernmental Panel on Climate Change (IPCC). The number of participants will depend on the availability of funds.

13. Given the available time and the competing events, it may not be possible to complete a series of workshops by the eleventh session of the SBSTA. It is desirable, however, to complete the regional workshops, as early as possible in the year 2000, to allow information from the process to be considered by the SBSTA.

III. DRAFT WORK PROGRAMME

A. Specific mandate

14. By its decision 4/CP.4, the Conference of the Parties requested the secretariat, in preparing the budget for the next biennium, to give priority to activities concerned with building the capacity of Parties to enhance the transfer of environmentally sound technologies, as defined in document FCCC/CP/1998/6, including assessing and synthesizing information on environmentally sound technologies and know-how, and, in doing so, to identify specific tasks.

B. Discussion

15. The secretariat has prepared a proposed programme budget for the biennium 2000-2001, taking into account the above mandate and the proposed activities described in document FCCC/CP/1998/6. The programme budget includes a subprogramme on technology, whose work programme focuses on five specific tasks: (1) providing organizational support to the transfer of technology consultative process; (2) making available to all Parties substantive information on technology transfer activities; (3) responding to the needs of Parties for information on adaptation technologies and ways and means to limit HFCs; (4) enhancing the capacity of developing countries to address barriers to the transfer of technology; and (5) implementing a technology inventory system that serves multiple users, including Parties seeking information for projects supported by the private sector, the Global Environment Facility, bilateral aid and other mechanisms. Implementation of this programme of work will depend upon the approval of the required resources and the availability of supplementary voluntary contributions for some activities.

16. Parties may wish to refer to document FCCC/SBI/1999/4/Add. 1, for additional and more complete information.

IV. ADAPTATION TECHNOLOGIES

A. Specific mandate

17. At its second and third sessions, by its decisions 7/CP.2 and 9/CP.3 respectively, the Conference of the Parties requested the secretariat to prepare reports on adaptation technologies and to continue its work on the synthesis and dissemination of information on environmentally sound technologies and know-how conducive to mitigating, and adapting to, climate change.

18. At its eighth session, the Subsidiary Body for Scientific and Technological Advice (SBSTA), encouraged the secretariat to continue its work on adaptation technologies. The topics were identified at a UNFCCC expert meeting on adaptation technologies held in conjunction with an IPCC meeting on adaptation in Amsterdam from 20 to 22 March 1997 (FCCC/SB/1997/3) and were included in the programme for the current biennium budget of the secretariat (FCCC/CP/1997/INF.1).

B. Discussion

19. The secretariat has prepared a technical paper on coastal adaptation technologies (FCCC/TP/1999/1). The paper expands on the consideration of coastal zone adaptation technologies developed in an earlier technical paper, which provided an overview of adaptation technologies (FCCC/TP/1997/3).

20. A draft of the technical paper was reviewed at an expert meeting with participants from the roster on coastal adaptation technologies, arranged by the secretariat and held in Bonn on March 22 and 23 1999. Participants at the meeting included coastal engineering experts from developing countries (Argentina, Barbados, China, Fiji, Sierra Leone and Tanzania) as well as from developed countries (the Netherlands, the United Kingdom and the United States of America), including a lead author of the coastal adaptation technologies chapter of the IPCC *Special Report on Methodological and Technological Issues in Technology Transfer*. A report on the meeting is contained in an annex to the technical paper, document FCCC/TP/1999/1.

21. The technical paper on coastal adaptation technologies:

(a) Compiles and synthesizes the reporting of coastal impacts and adaptation options in national communications;

(b) Describes coastal adaptation technologies that are in use or have been demonstrated;

(c) Identifies coastal adaptation technology needs;

(d) Describes how these technologies are developed and transferred; and

(e) Identifies barriers to the acceleration of the development and transfer of coastal adaptation technologies.

22. In addition, the paper identifies a range of options to accelerate and sustain the development and transfer of coastal adaptation technologies. These options could be considered by the spectrum of stakeholders in the coastal zone, including aid agencies, multilateral and regional development banks, national and regional governments as well as the private sector.

C. Other activities related to adaptation technologies

23. The secretariat has also compiled information on decision tools to evaluate alternative adaptation strategies as part of the programme of work on methodologies (FCCC/CP/1997/INF.1). Decision tools, models as well as data gathering and collection technologies are themselves important adaptation technologies. Such technologies facilitate the planning, implementation and monitoring of adaptation strategies.

24. The secretariat has initiated informal consultations with the World Health Organization as well as with representatives of pharmaceutical companies and respective manufacturers' associations to assess information on adaptation technologies related to human health. The secretariat will continue consultations with a view to providing a technical paper on this subject to the SBSTA at a future session.

V. COOPERATION WITH OECD/DAC

A. Specific mandate

25. The SBSTA, at its sixth session, encouraged the secretariat to extend its cooperation with other organizations such as the World Bank and the OECD, with the aim of, *inter alia*, improving the availability of climate relevant data. In this context, it noted that the Development Assistance Committee (DAC) of the OECD is cooperating with the Convention on Biological Diversity (CBD) in order to introduce a specific biodiversity "marker" in their statistics, and considered the need for similar information regarding climate change projects (FCCC/SBSTA/1997/6).

B. Discussion

26. On the basis of the above mandate the secretariat has approached the OECD/DAC secretariat in order to explore the possibility of introducing a climate change "marker" in their

reporting system. A similar initiative has been carried out by the secretariats of CBD and the United Nations Convention to Combat Desertification (UNCCD).

27. Under each of the conventions, developed country Parties have undertaken to report on measures taken to assist developing countries to implement the conventions, including the provision of financial resources. This information is required, for example, in the case of the United Nations Framework Convention on Climate Change, for the guidelines for the preparation of national communications by Parties included in Annex I.

28. The secretariats of the conventions have requested the DAC to examine whether the relevant data could be obtained through routine reporting to the DAC by OECD countries. The DAC secretariat and its Working Party on Statistics have expressed their willingness to collaborate. The DAC secretariat is prepared to serve as a focal point for collecting this type of information, should the Parties deem it appropriate, after completion of the pilot study described below, so as to minimize the reporting burden for donors.

29. To this end the DAC, in cooperation with the secretariats of the conventions, has launched a pilot study on aid targeting the objectives of the Rio conventions. The pilot study will cover bilateral ODA commitments in 1998. Reporting Parties have been requested to classify and score individual aid activities against three new markers referring to the above conventions. The pilot study will be undertaken in 1999, and its results are expected to be considered by OECD/DAC in the year 2000.

30. The secretariat intends to provide Parties with preliminary results, using the data obtained by the DAC or the pilot study, at COP 5. However, it might be several years before routine data from any revised marker system developed by the DAC will be available.

VI. UNFCCC GUIDELINES ON FINANCIAL RESOURCES AND TRANSFER OF TECHNOLOGY

A. Specific mandate

31. The SBSTA, at its seventh session, took note of the need for better information with respect to finance and transfer of technology and agreed to consider at its ninth session what, if any, additions and/or amendments to the revised guidelines for the preparation of national communications by Annex II Parties would be required. It invited Parties to submit to the secretariat by 15 March 1998 their views on reporting information on finance and transfer of technology and requested the secretariat to compile them for consideration at its eighth session. It also urged the secretariat to explore other means of obtaining such information, including in-depth reviews of national communications (FCCC/SBSTA/1997/14).

32. The SBSTA, at its eighth session, requested the secretariat to send a questionnaire to

Parties on clarifications, additions and/or amendments to the revised guidelines and requested Parties to provide submissions on this issue by 1 February 1999. The SBSTA further requested the secretariat to organize a workshop, with the participation of representatives from Parties, to assess the responses to the questionnaire and to prepare a paper on the results of this workshop for consideration at its tenth session, with the aim of proposing any necessary clarifications, additions and/or amendments to the UNFCCC guidelines at the fifth session of the Conference of the Parties (FCCC/SBSTA/1998/6).

33. At its ninth session, the SBSTA requested the secretariat to prepare a report, which addresses clarifications, additions and amendments to the revised guidelines for the preparation of national communications by Annex I Parties, for its tenth session (FCCC/SBSTA/1998/9).

B. Discussion

34. Parties may wish to note that ways are being considered to improve the reporting of information on financial resources and transfer of technology in national communications of Annex II Parties, as part of a process to revise the reporting guidelines for the preparation of national communications from Parties included in Annex I to the Convention. Also, submissions from Parties to the above questionnaire, including information on reporting on financial resources and transfer of technology, are contained in document FCCC/SB/1999/MISC.2.

35. The issues of financial resources and transfer of technology were considered at a workshop organized by the secretariat on the revision of the guidelines for the preparation of national communications from Parties included in Annex I to the Convention, held in Bonn from 17 to 19 March 1999. The secretariat, on the basis of information collected from national communications (FCCC/CP/1998/11/Add.1), submissions by Parties (FCCC/SB/1999/MISC. 2), and in-depth reviews, prepared a working paper for the workshop dealing exclusively with these aspects. In this paper, the secretariat has identified problem areas in reporting by Parties and has provided a number of suggestions for solving them, and/or modifying the existing guidelines and reporting format.

36. The draft guidelines for reporting by Annex II Parties on financial resources and transfer of technology, developed on the basis of information from Parties and suggestions made at the workshop, can be found in document FCCC/SB/1999/1/Add. 2.

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